under mulberry cultivation in Andhra Pradesh in 5 years and to increase the production of raw silk in the State by 960 tonnes.

(c) In the National Sericulture Project (NSP) provision has been made for giving credit facilities to farmers through financial institutions under refinance programmes for plantation of mulberry, purchase of rearing equipments construction of rearing houses and digging of irriga tion wells.

Export activities of STC and MMTC

461. SHRI VIREN J. SHAH: Will the Minister of COMMERCE be pleased to state:

(a) what are the spheres of export activities demarcated between STC and MMTC;

(b) whether STC and MMTC are exporting common items and competing with each other;

(c) whether the competition between MMTC and STC is being regulated and if so, in what manner ; and

(d) whether there is any role anvisaged by MMTC and STC to associate leading manufacturers of the country in promoting exports under counter-trade arrangements and if so, what are the details thereof?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU): (a) In respect of canalised exports, there is no commonality of export between STC and MMTC As regards non-canalised items, guidelines were given in 1985 to the Corporations indicating that the following items would be reserved exclusively for trading through STC and MMTC:

Reserved for STC:

Leather, fruit juice and pulps; sports goods; jute; tea, and castor oil.

Reserved for MMTC

Diamonds and Emeralds.

Light engineering and consumer products were to be left open for both.

(b) and (c) In actual operation, however, certain amount of overlapping has taken place in exports between STC and MMTC. Both are leading trading houses, using their strength as a buyer of bulk raw materials to promote countertrade exports in all items. However, both STC and MMTC make efforts to avoid *inter-se* competition as much as possible.

It has been decided to form a HOLDING COMPANY of which these two Corporations will be subsidiaries. This will help to achieve better coordination and use the combined strength of STC and MMTC to promote export by avoiding competition, over-lapping or under-cutting.

(d) Yes, Sir. Since STC and MMTC are primarily trade organisations without manufacturing base, they promote exports through associated, including manufacturers of Products in large scale, public sector, as well as small scale sector, both indirectly and through counter-trade.

Advance paid by SAIL for supply of equipment

462. SHRI PRAMOD MAHAJAN :

KUMARI CHANDRIKA PREMJI KENIA :

Will the Minister of STEEL AND MINES be pleased to state :

(a) what quantum of advance in terms of percentage is normally